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RESOLUTION ADOPTED BY THE GENERAL ASSEMBLY

[*without reference to a Main Committee (A/52/L.70)*]

52/209. Business and development

The General Assembly,

Recalling its resolutions 47/171 of 22 December 1992 entitled "Privatization in the context of economic restructuring, economic growth and sustainable development", 48/180 of 21 December 1993 entitled "Entrepreneurship and privatization for economic growth and sustainable development" and 50/106 of 20 December 1995 entitled "Business and development", as well as the Agenda for Development,[1]

Welcoming the fact that many countries continue to attach major importance to the privatization of enterprises, demonopolization and administrative deregulation in the context of their economic restructuring policies, as a means to increase efficiency, economic growth and sustainable development,

Recognizing the importance of the market and the private sector for the efficient functioning of economies in various stages of development,

Recognizing the sovereign right of each State to decide on the development of its private and public sectors, taking into account the comparative advantages of each sector, bearing in mind the economic, social and cultural diversity in the world,

1. *Takes note* of the report of the Secretary-General entitled "Entrepreneurship and privatization for economic growth and sustainable development";[2]

2. *Underlines* the positive role of the private sector in supporting economic growth and development as well as in the mobilization of resources;

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[1] Resolution 51/240, annex.

[2] A/52/428.

3. *Emphasizes* the role of the private sector in each country, including international investors, to contribute positively to the implementation of national macroeconomic policies and macroeconomic stabilization programmes;

4. *Recognizes* that business and industry, including transnational corporations, play a crucial role in the social and economic development of a country, that a stable policy regime enables and encourages business and industry to operate responsibly and efficiently and to implement longer-term policies and that the activities of business and industry are the primary contributors to increasing prosperity, which is a major goal of the development process;

5. *Expresses the conviction* that a stable and transparent environment for commercial transactions in all countries is essential for the mobilization of investment, finance, technology, skills and other important resources across national borders, in order to promote growth and development, and recognizes in this context that effective efforts at all levels to combat corruption and bribery are essential elements of an improved international business environment;

6. *Recognizes* the important role of Governments in creating, through transparent and participatory processes, an enabling environment supportive of entrepreneurship and facilitative of privatization, in particular in establishing the judicial, executive and legislative frameworks necessary for a market-based exchange of goods and services and for good management;

7. *Emphasizes* the importance of a supportive international economic environment, including investment and trade, for the promotion of entrepreneurship and privatization;

8. *Recognizes* the need to increase private sector involvement in the provision of infrastructure services, *inter alia*, through joint ventures between public and private entities, particularly in countries with economies in transition, while protecting essential services and safeguarding the environment;

9. *Recognizes* that in many countries the informal sector accounts for a significant part of all economic activity and is a particularly important source of income for women and that the progressive integration of the informal sector should be encouraged;

10. *Stresses* the importance of micro-credit to people living in poverty, allowing them to establish micro-enterprises, which in turn generate self-employment and contribute to achieving empowerment, particularly of women, and calls for the strengthening of institutions supportive of micro-financing, in particular, micro-credit;

11. *Values* the promotion of entrepreneurship, including through the informal sector and micro-enterprises, in the development of small and medium-sized enterprises and industries by various actors throughout civil society and of privatization, demonopolization and the simplification of administrative procedures;

12. *Recognizes* the important role of cooperatives in the development and promotion of small and medium-sized enterprises;

13. *Encourages* the United Nations Conference on Trade and Development to continue to provide a forum for intergovernmental discussions, with the participation of representatives from the private sector, concerning issues related to privatization, enterprise development and international flows of investment, and welcomes the efforts by the Secretary-General of the Conference to build a lasting partnership for development with non-governmental actors, including through the "Partners for Development" initiative to be held at Lyon, France, in 1998;

14. *Invites* the United Nations Industrial Development Organization and the other relevant United Nations bodies to further strengthen their activities, in particular for Africa and the least developed countries,

in promoting the development of entrepreneurship, especially for small and medium-sized enterprises, and calls upon the international community to lend its support to the United Nations Industrial Development Organization in this regard;

15. *Stresses* that the outsourcing of work from transnational corporations to small and medium-sized enterprises supports the development of entrepreneurship and privatization in developing countries;

16. *Calls upon* the United Nations funds and programmes, in accordance with their mandates, to continue to strengthen support to the promotion of entrepreneurship and, in their work in implementing the present resolution, to give due consideration to the role of the private sector in development, taking into account the priorities set by each country, while ensuring a gender perspective, and, in this connection, states that there is a need to assist in particular the Governments of developing countries, as well as countries with economies in transition, in strengthening their capacity to encourage wider participation of the private sector;

17. *Decides* to include in the provisional agenda of its fifty-fourth session the item entitled "Business and development", and requests the Secretary-General, in cooperation with relevant United Nations bodies, to prepare a report which includes analytical work on the implementation of the present resolution for submission to the General Assembly at that session.

77th plenary meeting
18 December 1997